



For clients whose fiscal year ends on December 31st.

CAREFULLY READ THESE INSTRUCTIONS IN THEIR ENTIRETY BEFORE BEGINNING PROCEDURES

If you have any questions about these instructions, please call Creative Microsystems, Inc.

Immediately after closing November you can run FUTURE POSTING FUND REPORT (Menu 3-2-32) which prints any January activity. The totals on this report should be zero; however, if any funds have amounts in columns for “**Future Rec,**” “**Future Exp**” or “**Future Enc,**” run the detail report in either FUTURE POSTING REVENUE REPORT (Menu 3-2-31) or FUTURE POSTING EXPENSE REPORT (Menu 3-2-33) for the appropriate fund(s). You will need to identify the account and verify that the transaction actually should be a future item for January of the next year. You may want to print this report periodically at the end of the year to double-check your January totals before you close the year.

Before the end of the year, you can enter (but do **NOT POST**) your estimated revenues and appropriations for the new year. **Using a batch with a batch date in January of the new year,** enter revenue budget items in REVENUE BUDGET ENTRY (Menu 3-4-1) and appropriation budget items in EXPENSE BUDGET ENTRY (Menu 3-4-4). Proof estimated revenues by printing them out in REVENUE BUDGET PROOF (Menu 3-4-2) and appropriations by printing them out in EXPENSE BUDGET PROOF (Menu 3-4-5). (If you have CMI’s Budget Preparation software, you can transfer your estimated budget directly into REVENUE BUDGET ENTRY (Menu 3-4-1) and EXPENSE BUDGET ENTRY (Menu 3-4-4) **using a batch date in January of the new year.**)

NOTE: BECAUSE YOUR REVENUE AND APPROPRIATION BATCHES WILL HAVE A BATCH DATE IN JANUARY OF THE NEW YEAR, YOU WILL NOT BE ABLE TO UPDATE THESE BATCHES UNTIL YOU CLOSE MONTH 12.

Evaluate your vendor records to see if you have duplicated vendors with multiple vendor numbers and to record any 1099 addresses in VENDOR MAINTENANCE, 1099 ADDRESS (Menu 2-1-T). Use VENDOR RENUMBER (Menu 2-8-3) to combine vendor data as appropriate when you have a duplicate vendor.



QUICK TIP: Create a user defined report from the Finance file V.VENDOR and sort the report alphabetically by vendor name so that duplicate vendors can be easily identified.

Review your 1099 “header” data using 1099 HEADER MAINTENANCE (Menu 2-7-25).



STEP 1 - Enter Any Closing Transactions

Run ENCUMBER BY PO (Menu 3-7-1-B) to find vouchers without POs. Vouchers without POs will not create a prior year encumbrance. When paid, they use the current year appropriation. Therefore, you may want to delete vouchers without POs and reenter the encumbrances through a PO. Vouchers without POs are listed as **V#####** on the report; they can be deleted through DELETE/ADJUST VOUCHER (Menu 2-3-31).

Run MONTH ACCRUE PAYABLES (Menu 2-7-3) after your last check run of the year to ensure that you have processed all appropriate disbursements for the year. If there is any data on this report after your last check run, you may want to delete the vouchers and enter them as purchase orders so this encumbrance will be carried forward into the new year.

Complete CHECK RECONCILIATION (Menu 2-6-42). You may want to complete your December check reconciliation to bring records up to date. The outstanding check file will be carried into the next year. You will also need to enter any current year bank charges or interest earnings, if applicable.

Enter any other special end-of-year transactions (entries, transfers, or adjustments): Use VOUCHER MENU, RECEIPT/EXPENSE PROCESSING and BUDGET TRANSACTION PROCESSING (Menus 2-3, 3-3, and 3-4) for account transactions and bank transactions.



STEP 2 - Determine Carry-Over POs

First, close POs as appropriate, then run OPEN PO STATUS REPORT (Menu 3-7-21) and ENCUMBER BY ACCOUNT AND FUND (Menu 3-7-2-B), both of which list all open POs that have an encumbered balance. Carefully scrutinize your purchase orders and identify those POs you want to carry forward into the new year. Check for over-expended POs (**encumbrance lines with negative balances**); do **NOT** carry any over-expended POs forward into the new year. *It is important to review each account line in ENCUMBER BY ACCOUNT AND FUND (Menu 3-7-2) to ensure that no individual account line is negative; reviewing each PO for a positive balance is not enough.* Also check to ensure that the encumbrances you carry forward are sufficient to cover expected invoices. Use PURCHASE ORDER ENTRY (Menu 3-6-1) to adjust the encumbrance for any PO as desired.



NOTE: *If you wish to adjust purchase orders in December when the calendar date is in January, use RESET POSTING DATE (Menu 2-7-13) to reset the date to December. If you do **NOT** reset the date, monies will be encumbered from the new year budget. It might be wise to deny access to all other Finance users until you reset the date to the calendar date. **BE SURE TO RESET THE DATE TO THE CALENDAR DATE after adjusting your purchase orders.***

Again, use PURCHASE ORDER CLOSING/REOPENING (Menu 3-6-5) to close all POs that you do not want to carry forward as soon as all voucher batches have been processed.

Libraries may want to use APPLY EXCESS PRIOR BATCH (Menu 3-4-PX) to move prior excess monies into their current year budget so the money can be encumbered for the next year. *See your documentation CD for instructions on how to use this menu.*



QUICK TIP: *If you wish to carry this appropriation into the new year, be sure to encumber it on a PO you plan to carry over.*

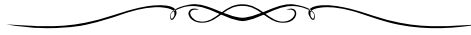
Finally, run ENCUMBER BY ACCOUNT AND FUND (Menu 3-7-2-B). **VERIFY** that all POs you want to carry forward appear on this report. The total shown on this report, less any vouchers without POs, is the amount of encumbrance that will be carried into the new year along with the appropriation. Also print fund and expense reports from STANDARD BUDGET REPORTING (Menu 3-2) to **make sure that the encumbrances appear in the correct funds and appropriation accounts.**



NOTE: *As an additional balancing step, you may want to print the OPEN PO STATUS REPORT (Menu 3-7-21) using an ending date of 12/31 for the year being closed. Compare the balance with your encumbrance to ensure that all adjustments to encumbrances on purchase orders are in the current year. Discrepancies in totals can reflect new year activity.*

STEP 3 - Balance the Month

Before running year-end reports, use your balancing sheets to make sure December is in balance. **DO NOT CLOSE THE MONTH.** If you do not follow this step, the year-end reports may not be accurate.



STEP 4 - Run Year-End Reports

There are several reports that you may have run monthly in order to balance; in addition, you may have run suggested optional reports as desired. However, running them at the end of the year **for the entire year** provides you with an annual consolidated report that is often used by you and your auditors.

You may want to print for the entire year the 23 optional reports listed with your month-end procedures, especially if you have not run them on a monthly basis. Below is an additional list of reports that we suggest you run next.

Suggested PO, check and transaction reports are as follows:

SUMMARY PURCHASES LISTING	MENU 2-2-2
DETAIL TRANSACTIONS BY ACCOUNT	MENU 3-2-43
ENCUMBRANCE BY ACCOUNT AND FUND	MENU 3-7-2
MONTH CHECK REGISTER*	MENU 2-7-1

**You can run this report for each month of the year if you did not clear the log monthly. Alternately, you can print the SPECIAL CHECK REGISTER (Menu 2-6-44) for the year.*

These reports will provide information for your audit.

TRANSACTION REPORTS (as applicable), MENUs 3-5-1 thru 3-5-42

You may decide to print the following reports; print other reports such as project reports as desired:

3-5-3, 3-5-6, 3-5-11, 3-5-12, 3-5-14, 3-5-15, 3-5-23, 3-5-24, 3-5-25, 3-5-28, 3-5-31, 3-5-41, and 3-5-42.

If you use projects, you may wish to print 3-5-13, 3-5-16 and 3-5-22.

END OF MONTH REPORTS (as applicable), MENUs 3-2-7-21 thru 3-2-7-42

If you are missing an end of month report or just want to print an additional copy of an end of month report for this year, use these menus as appropriate.

USER DEFINED REPORTS (as applicable), Menu UR



WARNING!!! ALL REPORTS MUST BE PRINTED SUCCESSFULLY AND VERIFIED BEFORE CONTINUING!!!!

STEP 5 - Print Financial Reports (if applicable)

Be sure to print all reports set up in FINANCIAL REPORTS (Menu FR) to include any Budget reports used to report cash basis.



NOTE: *These reports can be printed for any "end of month" to include December.*

STEP 6 - End of Year Archive Save

The regular month-end FILE-SAVE for December is also your End-of-Year Archive Save.

Do a **FILE-SAVE** of Finance on a new tape or a tape that **will not be reused**. This tape should be archived as a permanent record for this year.




NOTE: *Clients using third-party backup software should consult the documentation for that application for questions pertaining to any functions not related to CMI applications.*

STEP 7 - Process End of Month for December/End of Year

Follow your normal end-of-month procedures for December by running all reports and balancing the month. File these reports and archive your File-Save for December as you would for any month.

You may also choose to run any future posting reports. These reports can be used as an additional source for comparisons during STEP 8 - VERIFY BALANCES.

 **NOTE:** *If you plan to use General Ledger to process accruals, contact CMI before processing CLOSE VOUCHER MONTH (Menu 2-7-4).*

 **NOTE:** *When you close December in END-OF-MONTH PROCESSING (Menu 2-7), you also close the year.*



WARNING!! *No one else should be logged onto the Finance system while this program is running. This includes users in CMI Treasurer's module. Data can be corrupted if users are accessing the Finance files while the closing program is running.*

STEP 8 - Verify Balances

VERIFY that MTD and YTD account balances are reset to zero (0) or that your future month balances are brought forward by running the following reports: MTD/YTD REVENUE REPORT (Menu 3-2-1), YTD FUND REPORT (Menu 3-2-3), and MTD/YTD COMBINED EXPENSE REPORT (Menu 3-2-6). If you printed any future posting reports during STEP 7, compare the balances with these reports.

If you have entered your estimated budget (or transferred your budget from Budget Preparation), close your batches and run REVENUE BUDGET UPDATE (Menu 3-4-3) and EXPENSE BUDGET UPDATE (Menu 3-4-6) to post the new year budget. **VERIFY** that all beginning account balances have been posted by running and proofing the following reports: MTD/YTD REVENUE REPORT (Menu 3-2-1) and MTD/YTD CURRENT EXPENSE REPORT (Menu 3-2-4).

DELETE any accounts using ACCOUNT MAINTENANCE (Menu 1-1-1) that have no activity for the new year and that you do not plan to use in the future. Be aware that deleting accounts results in a loss of the account history and audit trail.

STEP 9 - Process 1099s



NOTE: *If you are using MAG-FILER®, please refer to your MAG-FILER® documentation for that application. MAG-FILER® allows you to print your 1099s on a laser printer.*

1099 FORMS: The 1099 data is only available after you close the month of December in CLOSE CASH MONTH (Menu 2-7-2). If you print 1099s on pin-fed forms, you will use MANUAL 1099 DATA (Menu 2-7-21); PRINT 1099 BACKUP PROOF (Menu 2-7-22); and PRINT 1099 FORMS (Menu 2-7-23). 1099s can be modified and printed at any time during the new year. ***You can NOT do any maintenance to 1099s until you have closed December.***

First, print the backup report from PRINT 1099 BACKUP PROOF (Menu 2-7-22). If it is correct, print your 1099s using PRINT 1099 FORMS (Menu 2-7-23). If it is not correct, use MANUAL 1099 DATA (Menu 2-7-21) to make corrections to your 1099 data as explained below.

Finally, use 1099 MAG MEDIA (Menu 2-7-24) if you need to download 1099 data to be used either in MAG-FILER® or for IRS electronic filing.

If a 1099 should be mailed to a different address, use VENDOR FILE MAINTENANCE, 1099 ADDRESS (Menu 2-1-T), to permanently record that address for 1099 use only.

If you will be printing 1099s for the first time using CMI's Finance application, your agency name and address may be incorrect. Use 1099 HEADER MAINTENANCE (Menu 2-7-25) to make any corrections.

Alternately, if you issue a small number of 1099s, you may want to manually type 1099s rather than purchase pin-fed computer forms. In that case, you can use the 1099 backup report in PRINT 1099 BACKUP REPORT (Menu 2-7-22) to obtain gross 1099 vendor information. Review the list to determine which vendors should receive a 1099.

To correct 1099 data shown on the backup report printed in PRINT 1099 BACKUP PROOF (Menu 2-7-22), use MANUAL 1099 DATA (Menu 2-7-21). Enter the vendor number of the record to be corrected at the prompt, and a VENDOR 1099 MAINTENANCE screen similar to the following will

```

VENDOR 1099 MAINTENANCE

  Vendor #  :

  1 Name    :
  2 Address :
  3 City, St :
  4 Zip     :
  5 Alpha   :

  6 1099 ?  :
  7 Soc-sec# :
  8 1099 $  :

Line #, Cancel, Update, Delete, Qnext, $break _
    
```

display:

Use the line numbers to make any corrections: Line 6, **1099?**, requires either entry from the Help list (<M> or <7> are the most common for “non-employee or miscellaneous compensation”); or <N> for no 1099. In Line 8, **1099\$**, enter the correct 1099 dollar amount to be reported.

If you make changes to the 1099 data, the following prompt will display when you update:

Update changes to Vendor T(1099), M(main), B(both) screens or C(cancel)

To update your changes to VENDOR MAINTENANCE (Menu 2-1), enter <T> to update changes to Option T; <M> to update changes to the main screen; or to update changes to both the main screen and Option T. Otherwise, enter <C> to cancel changes and try again.

New Bottom Line Commands

\$break - This command displays only for clients producing multiple 1099s for one vendor.

Using the \$break command (if applicable)

By entering a <\$>, the 1099 breakdown screen will display. This screen will allow you to enter and maintain 1099 data by code. A screen similar to the following will display:

VENDOR 1099 MAINTENANCE	
1099-code	1099 Breakdown
	---Amount---
- 1	

NOTE: *The amount on this 1099 BREAKDOWN screen will display as the 1099 \$ amount on the main VENDOR 1099 MAINTENANCE screen if you are printing multiple types of 1099s.*

MISCELLANEOUS VENDORS: If you need to produce a 1099 for a vendor paid last year using a miscellaneous vendor number, you can break out vendor purchases that have been lumped together under this miscellaneous vendor number using USER DEFINED REPORTS.

Below is a report you can set up to get the 1099 data.

```

USER DEFINED REPORT MAINTENANCE DEMO FINX

Report Key   :PRIORYR

1 File       :U.CLOSED
2 Report Title:LIST OF PRIOR YEAR PAYMENTS IN VENDOR ORDER
3 Det-Supp   :      Exp Sort :      Width :105

Print Fields          Restrictions          Sorts
Code ----Name---- Len   Code ----Name----   Code ----Name---- Exp
B5 Vendor           6     5 Vendor           5 Vendor
6 Vendor name      30    35 Date pd         6 Vendor name
9 Invoice           10
52 Purchase des   45
T34 Amt paid       10

Ln#,Can,Upd,Del,Fields,Restricts,Sorts,Qnext,Hardcopy,eXecute
    
```

You can restrict this report by vendor and date. You normally would want to run this report several times, restricting it to specific miscellaneous vendors. (An example date restriction would be **1-1-2003** to **12-31-2003**.)

NOTE: *You should only run the above report after closing December.*

If you are using pin-fed 1099 forms, set up new vendor numbers in VENDOR FILE MAINTENANCE (Menu 2-1) for any additional vendors who should get a 1099. Next, compile the information needed for your vendor from the above report. Finally, complete the 1099 data in lines 1-8 in MANUAL 1099 DATA (Menu 2-7-21) so that a 1099 will be printed for the vendor.

If you are typing your 1099s manually, you just need to compile the data from the reports.



STEP 10 - Purge Check Files and Reset PO Numbers

To purge all checks you cleared through check reconciliation, run PURGE RECONCILED CHECKS (Menu 2-6-45) with a cutoff date of 12/31 of the year you are closing. However, if you wish to leave some cleared checks on the system, enter a cutoff date prior to the period you are closing. You may purge reconciled checks as often as you wish throughout the year.

To purge data from MONTH CHECK REGISTER (Menu 2-7-1) for the year, use MONTH CHECK PURGE (Menu 2-7-14) with a cutoff date of 12/31 of the year you are closing. However, if you wish to leave data on the MONTH CHECK REGISTER, enter a cutoff date prior to the period you are closing. You may purge the check register as often as you wish throughout the year.

If your system is set up to automatically assign PO numbers, and you wish to reset the auto-numbering to begin a new numbering sequence at the beginning of the new year, go to PO CLASS MAINTENANCE (Menu 3-8-13). Recall the PO Class to be changed (i.e., "MV", "RG", etc.) and change the **Last Number Used** field. In order for the auto-numbering to start on a specific number, you must enter the number immediately preceding it. For example, if you want the first PO of the new year to be numbered as "200701", then the **Last Number Used** field should contain "200700".



STEP 11 - Process General Ledger

Please contact CMI if you are unsure regarding General Ledger procedures.



Helpful Websites

Department of the Treasury: www.irs.ustreas.gov

Department of the Treasury,
Forms and Publications: www.irs.ustreas.gov/formspubs

State of Ohio Dept. of Taxation: tax.ohio.gov

Creative Microsystems, Inc. www.civiacmi.com

FINANCE EOY CHECKLIST

Preliminary:

- Read these Financial Accounting Year-End Procedures; check the CMI web site for any last-minute end-of-year related information.
- Order 1099 forms (if applicable).
- Run FUTURE POSTING FUND REPORT (Menu 3-2-32) and review any future amounts.
*
- Enter estimated budget items in REVENUE BUDGET ENTRY (Menu 3-4-1) and EXPENSE BUDGET ENTRY (Menu 3-4-4). DO NOT POST. *
- Correct any Vendor data such as 1099 addresses or combining Vendor numbers. *

EOY Procedures:

- Step 1: Enter any closing transactions or transfers.*
- Step 2: Determine carryover POs.*
- Step 3: Balance the month, but DO NOT CLOSE the month.*
- Step 4: Run year-end reports.*
- Step 5: Print Financial Reports (if applicable).*
- Step 6: End of Year Archive Save.*
- Step 7: Process End of Month for December/End of Year.*
- Step 8: Verify balances.*
 - Verify balances in MTD/YTD REVENUE REPORT (Menu 3-2-1), MTD FUND REPORT (Menu 3-2-2), and MTD/YTD COMBINED EXPENSE REPORT (Menu 3-2-6).
 - Post new year budget.
 - Verify balances in MTD/YTD REVENUE REPORT (Menu 3-2-1) and MTD/YTD CURRENT EXPENSE REPORT (Menu 3-2-4).
- Step 9: Process 1099s.
- Step 10: Purge Check file.*
 - Run PURGE RECONCILED CHECKS (Menu 2-6-45).
 - Run MONTH CHECK PURGE (Menu 2-7-14).
- Step 11: Process General Ledger. (Optional)

** Please refer to the preceding pages for detailed instructions.*